CHAPTER NO. 445

SENATE BILL NO. 1007

By Ford

Substituted for: House Bill No. 1088

By McMillan, Maddox

AN ACT to amend Tennessee Code Annotated, Title 68, Chapter 11, relative to certificates of need for the relocation of nursing home beds, and the partial replacement of licensed nursing home facilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 68-11-1621, is amended by adding a new subsection (f) to read as follows:

- (f) For the purposes of this Section and Section 68-11-1622, the term "new nursing home beds" shall not include nursing home beds that are relocated from an existing licensed nursing home to a partial replacement nursing home facility on a different site, if the following requirements are met:
 - (1) A certificate of need is issued for the relocation of the beds pursuant to Section 68-11-1607(a)(3)(D) and for a partial replacement nursing home facility pursuant to Section 68-11-1607(a)(5). If all of the requirements of paragraphs (2) through (6) of this section are met, then the relocation of beds and the establishment of the partial replacement facility shall not be considered the establishment of a new health care institution pursuant to Section 68-11-1607(a)(1), or an increase in the number of licensed beds under Section 68-11-1607(a)(3)(A).
 - (2) The nursing home proposing to relocate the beds and partially replace its facility has been granted a certificate of need for a partial replacement nursing home facility on its existing site between April 1, 2004, and November 3, 2004.
 - (3) The partial replacement nursing home facility will be located in the same county as the nursing home facility sought to be partially replaced.
 - (4) The partial replacement nursing home facility and the relocation of beds will not cumulatively result in more licensed nursing home beds in the county than exist prior to the relocation of beds and partial replacement nursing home facility.
 - (5) The nursing home facility sought to be partially replaced is not fully equipped with fire suppression sprinklers, installation of such sprinklers and renovation or replacement of the entire facility on its current site would require the displacement or transfer of current patients, and the proposed partial replacement nursing home facility will be fully equipped with fire suppression sprinklers.

(6) The partial replacement nursing home facility will initially be licensed to the same owner as the nursing home facility which is sought to be partially replaced. Nothing in this section shall prohibit the transfer of the partial replacement nursing home facility to a different owner following its licensure.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 27, 2005

JOHN S. WILDER SPEAKER OF THE SENATE

APPROVED this 17th day of June 2005

PHIL BREDESEN, GOVERNOR